

STATE OF OKLAHOMA

2nd Session of the 59th Legislature (2024)

SENATE BILL 1864

By: Pugh

AS INTRODUCED

An Act relating to the State Board of Equalization; amending 62 O.S. 2021, Section 34.103, which relates to the Oklahoma State Finance Act; prescribing duties for the Board; and providing an effective date.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 62 O.S. 2021, Section 34.103, is amended to read as follows:

Section 34.103. A. In addition to any other duties prescribed by law, at the meeting required by Section 23 of Article X of the Oklahoma Constitution to be held in February of 2017, and at the February meeting of the State Board of Equalization each year thereafter, the State Board of Equalization shall certify:

1. For the revenue derived from the tax levied on oil pursuant to Section 1001 of Title 68 of the Oklahoma Statutes, which would otherwise be apportioned to the General Revenue Fund, the average annual amount of actual revenue apportioned to the General Revenue Fund for the immediately preceding five (5) complete fiscal years. For any year after the first year during which a deposit to the

1 Revenue Stabilization Fund is made, the amount of any deposit to the  
2 Revenue Stabilization Fund shall be disregarded for purposes of this  
3 paragraph and the average shall be computed using the total amount  
4 of revenue that was available to be apportioned to the General  
5 Revenue Fund for the applicable period of time;

6 2. For the revenue derived from the tax levied on natural gas  
7 pursuant to Section 1001 of Title 68 of the Oklahoma Statutes, which  
8 would otherwise be apportioned to the General Revenue Fund, the  
9 average annual amount of actual revenue apportioned to the General  
10 Revenue Fund for the previous five (5) fiscal years. For any year  
11 after the first year during which a deposit to the Revenue  
12 Stabilization Fund is made, the amount of any deposit to the Revenue  
13 Stabilization Fund shall be disregarded for purposes of this  
14 paragraph and the average shall be computed using the total amount  
15 of revenue that was available to be apportioned to the General  
16 Revenue Fund for the applicable period of time; and

17 3. For the revenue derived from the corporate income tax levied  
18 pursuant to Section 2355 of Title 68 the Oklahoma Statutes, which  
19 would otherwise be apportioned to the General Revenue Fund, the  
20 average annual amount of actual revenue apportioned to the General  
21 Revenue Fund for the previous five (5) fiscal years. For any year  
22 after the first year during which a deposit to the Revenue  
23 Stabilization Fund is made, the amount of any deposit to the Revenue  
24 Stabilization Fund shall be disregarded for purposes of this

1 paragraph and the average shall be computed using the total amount  
2 of revenue that was available to be apportioned to the General  
3 Revenue Fund for the applicable period of time.

4 B. If the amount of revenue available for apportionment to the  
5 General Revenue Fund for the next ensuing fiscal year exceeds the  
6 amounts certified pursuant to paragraph 1 or 2 of subsection A of  
7 this section, with respect to each such revenue source, one hundred  
8 percent (100%) of such amount in excess of the separately computed  
9 five-year average, which would otherwise be apportioned to the  
10 General Revenue Fund, shall be deposited to the credit of the  
11 Revenue Stabilization Fund.

12 C. If the amount of revenue available for apportionment to the  
13 General Revenue Fund for the next ensuing fiscal year exceeds the  
14 amount certified pursuant to paragraph 3 of subsection A of this  
15 section:

16 1. Twenty-five percent (25%) of such amount in excess of the  
17 five-year average, which would otherwise be apportioned to the  
18 General Revenue Fund, shall be deposited to the credit of the  
19 Constitutional Reserve Fund unless such deposit would exceed the  
20 maximum balance permitted pursuant to Section 23 of Article X of the  
21 Oklahoma Constitution and in such case the amount in excess of the  
22 maximum balance shall be deposited to the credit of the Revenue  
23 Stabilization Fund; and

1           2. Seventy-five percent (75%) of such amount in excess of the  
2 five-year average, which would otherwise be apportioned to the  
3 General Revenue Fund, shall be deposited to the credit of the  
4 Revenue Stabilization Fund, together with any amount required for  
5 deposit pursuant to the provisions of paragraph 1 of this  
6 subsection.

7           D. In addition to any other duties prescribed by law, at the  
8 meetings required by paragraphs 1 and 3 of Section 23 of Article X  
9 of the Oklahoma Constitution, the State Board of Equalization shall  
10 provide a report that distinguishes the amount available for  
11 appropriation from revenues accrued or accruing in the preceding and  
12 current fiscal years that were not appropriated and the amount  
13 available for appropriation from revenues to be received by the  
14 state for the next ensuing fiscal year. The summation of the  
15 amounts that were not appropriated from the current and preceding  
16 fiscal years and the amounts to be received in the next ensuing  
17 fiscal year shall equal the certified amounts available for  
18 appropriation pursuant to paragraphs 1 and 3 of Section 23 of  
19 Article X of the Oklahoma Constitution.

20           SECTION 2. This act shall become effective November 1, 2024.

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